GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3980
ANSWERED ON:23.03.2001
PERFORMANCE OF UTI
ANANTRAO GUDHE

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have reviewed the performance of UTI in terms of its achievementsvis-a-vis targets set scheme-wise during the last three years;

(b) the details of plans finalised / under consideration to expend, strengthen, upgrade restructure the organisation in the context of globalisation;

(c) the details of new schemes under formulation and plans for diversification finalised/under consideration; and

(d) the performance review of the operations of UTI abroad alongwith plans for expansion ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (BALASAHEB VIKHE PATIL)

(a) The performance of the Unit Trust of India (UTI) vis-Ã -vis targets, is regularly reviewed by their Board of Trustees.

(b) On the suggestion of the Government, UTI set up a Committee on Corporate Positioning to review its competitive and commercial positioning in the light of financial sector reforms and developments in the mutual fund industry. The committee has not yet submitted its report.

(c) During the next two years, the emphasis will be on developing new markets, both off-shore and rural; segmented marketing & services and individualised service to long-term, high net worth & institutional investors; improved use of technology; empowerment and re-deployment of employees; regular monitoring of asset allocation strategies; entering new businesses like pensions plans IT services and distribution services.

(d) The Net Asset Value of the offshore funds as on June 30, 2000 was Rs.2,890 crore as against Rs.1,711 crore as on June 30, 1999. During the year ended 30 June 2000, two new offshore funds were launched, viz. India Infrastructure Fund and India Media, Internet and Communications Fund. UTI has extended its support to the development of Unit Trusts in other emergingeconomies like Sri Lanka, Bhutan and Egypt. Negotiations with Bangladesh and Tanzania are going on for similar arrangements.